

THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re: ) Chapter 11  
W.R. GRACE & CO., et al., ) Case No. 01-01139 (JKF)  
Debtors. ) (Jointly Administered)

*Objection Deadline: July 19, 2007 at 4:00p.m.*

FIFTY-FIRST APPLICATION OF BLACKSTONE ADVISORY SERVICES L.P.  
(FORMERLY THE BLACKSTONE GROUP L.P.) AS FINANCIAL ADVISORY TO  
W.R. GRACE & CO. AND AFFILIATES FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES INCURRED FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007

Name of Applicant: Blackstone Advisory Services L.P.

Authorized to Provide  
Professional Services to: Debtors

Date of Retention Order: June 22, 2001, effective April 2, 2001

Period for which compensation and  
reimbursement is sought: February 1, 2007 through February 28, 2007

Amount of Compensation sought as actual, reasonable and necessary:	<u>Total</u> \$100,000.00	<u>(Holdback (@ 20%))</u> (\$20,000.00)
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Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$1,260.82
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This is a x monthly \_\_\_ interim \_\_\_ final application

## Summary of Monthly Applications:

Date Filed	Period(s) Covered	Requested		Approved		Unapproved	Unpaid
		Fees	Expenses	Fees	Expenses	Holdback(s)	Holdbacks
07/31/01	04/02/01 – 06/30/01	\$519,166.66	7,663.95	\$519,166.66	7,663.95	\$--	\$--
08/24/01	07/01/01 – 07/31/01	175,000.00	3,504.53	175,000.00	3,504.53	--	--
10/16/01	08/01/01 – 08/31/01	175,000.00	16,124.84	175,000.00	16,124.84	--	--
11/21/01	09/01/01 – 09/30/01	175,000.00	11,846.09	175,000.00	11,846.09	--	--
11/30/01	10/01/01 – 10/31/01	175,000.00	5,042.39	175,000.00	5,042.39	--	--
01/31/02	11/01/01 – 11/30/01	175,000.00	7,477.10	175,000.00	7,477.10	--	--
01/31/02	12/01/01 – 12/31/01	175,000.00	2,133.92	175,000.00	2,133.92	--	--
03/15/02	01/01/02 – 01/31/02	175,000.00	5,140.26	175,000.00	5,140.26	--	--
04/05/02	02/01/02 – 02/28/02	175,000.00	1,719.69	175,000.00	1,719.69	--	--
05/02/02	03/01/02 – 03/31/02	175,000.00	631.92	175,000.00	631.92	--	--
07/25/02	04/01/02 – 04/30/02	175,000.00	2,736.03	175,000.00	2,736.03	--	--
08/15/02	05/01/02 – 05/31/02	175,000.00	516.61	175,000.00	516.61	--	--
08/15/02	06/01/02 – 06/30/02	175,000.00	733.20	175,000.00	733.20	--	--
11/13/02	07/01/02 – 07/31/02	175,000.00	2,603.74	175,000.00	2,603.74	--	--
11/13/02	08/01/02 – 08/31/02	175,000.00	3,547.21	175,000.00	3,547.21	--	--
11/13/02	09/01/02 – 09/30/02	175,000.00	1,611.87	175,000.00	1,611.87	--	--
02/14/03	10/01/02 – 10/31/02	175,000.00	1,848.24	175,000.00	1,848.24	--	--
02/14/03	11/01/02 – 11/30/02	175,000.00	2,109.76	175,000.00	2,109.76	--	--
02/14/03	12/01/02 – 12/31/02	175,000.00	1,570.49	175,000.00	1,570.49	--	--
03/25/04	01/01/03 – 12/31/03	525,000.00	10,063.83	525,000.00	10,063.83	--	--
08/17/04	01/01/04 – 06/30/04	525,000.00	2,833.02	525,000.00	2,833.02	--	--
11/15/04	07/01/04 – 09/30/04	525,000.00	22,158.70	525,000.00	22,158.70	--	--
11/24/04	10/01/04 – 10/31/04	175,000.00	3,635.27	175,000.00	3,635.27	--	--
01/24/05	11/01/04 – 11/30/04	175,000.00	4,369.47	175,000.00	4,369.47	--	--
01/24/05	12/01/04 – 12/31/04	175,000.00	1,129.94	175,000.00	1,129.94	--	--
03/07/05	01/01/05 – 01/31/05	175,000.00	2,347.64	175,000.00	2,347.64	--	--
05/19/05	02/01/05 – 02/28/05	175,000.00	742.42	175,000.00	742.42	--	--
05/19/05	03/01/05 – 03/31/05	175,000.00	1,106.33	175,000.00	1,106.33	--	--
08/26/05	04/01/05 – 04/30/05	100,000.00	3,082.08	100,000.00	3,082.08	--	--
08/26/05	05/01/05 – 05/31/05	50,000.00	1,709.38	50,000.00	1,709.38	--	--
08/26/05	06/01/05 – 06/30/05	50,000.00	2,917.10	50,000.00	2,917.10	--	--
05/10/06	07/01/05 – 07/31/05	75,000.00	2,289.24	75,000.00	2,289.24	--	--
05/10/06	08/01/05 – 08/31/05	50,000.00	2,304.36	50,000.00	2,304.36	--	--
05/10/06	09/01/05 – 09/30/05	25,000.00	679.00	25,000.00	679.00	--	--
06/21/06	10/01/05 – 10/31/05	100,000.00	786.97	100,000.00	786.97	--	20,000.00
06/21/06	11/01/05 – 11/30/05	100,000.00	1,854.08	100,000.00	1,854.08	--	20,000.00
06/21/06	12/01/05 – 12/31/05	100,000.00	488.35	100,000.00	488.35	--	20,000.00
07/25/06	01/01/06 – 01/31/06	50,000.00	1,369.41	50,000.00	1,369.41	--	10,000.00
07/25/06	02/01/06 – 02/28/06	100,000.00	560.94	100,000.00	560.94	--	20,000.00
07/25/06	03/01/06 – 03/31/06	100,000.00	1,273.41	100,000.00	1,273.41	--	20,000.00
09/21/06	04/01/06 – 04/30/06	75,000.00	208.81	75,000.00	208.81	--	--
09/21/06	05/01/06 – 05/31/06	100,000.00	1,660.26	100,000.00	1,660.26	--	--
09/21/06	06/01/06 – 06/30/06	125,000.00	2,155.45	125,000.00	2,155.45	--	--
10/18/06	07/01/06 – 07/31/06	125,000.00	4,794.17	125,000.00	4,794.17	--	--
11/30/06	08/01/06 – 08/31/06	75,000.00	1,665.99	75,000.00	1,665.99	--	--
11/30/06	09/01/06 – 09/30/06	75,000.00	995.60	75,000.00	995.60	--	--
02/28/07	10/01/06 – 10/31/06	100,000.00	704.00	80,000.00	704.00	20,000.00	20,000.00
02/28/07	11/01/06 – 11/30/06	175,000.00	1,104.42	140,000.00	1,104.42	35,000.00	35,000.00
02/28/07	12/01/06 – 12/31/06	150,000.00	1,509.61	120,000.00	1,509.61	30,000.00	30,000.00

<b>Date Filed</b>	<b>Period(s) Covered</b>	<b>Requested</b>		<b>Approved</b>		<b>Unapproved</b>	<b>Unpaid</b>
		<b>Fees</b>	<b>Expenses</b>	<b>Fees</b>	<b>Expenses</b>	<b>Holdback(s)</b>	<b>Holdbacks</b>
04/10/07	01/01/07 – 01/31/07	100,000.00	5,412.84	80,000.00	5,412.84	20,000.00	20,000.00
06/28/07	02/28/07 – 02/28/07	100,000.00	1,260.82	--	--	--	--

**Blackstone Advisory Services L.P.**

June 28, 2007

Mr. Fred Festa  
 Chairman, President and Chief Executive Officer  
 W.R. Grace & Co.  
 7500 Grace Drive  
 Columbia, Maryland 21044

Monthly advisory fee for the period of February 1, 2007 through February 28, 2007:	\$	100,000.00
Less: 20% holdback pursuant to the Court's Administrative Order		(20,000.00)

Out-of-pocket expenses processed for the period through February 28, 2007:<sup>1</sup>

Ground Transportation	\$	551.64	
Communications		194.00	
Meals		61.48	
Lodging		213.70	
Research		240.00	
			<u>1,260.82</u>
<b>Total Amount Due</b>	<b>\$</b>		<b><u>81,260.82</u></b>

**Please wire transfer funds to:**

JP Morgan Chase  
 One New York Plaza  
 New York, NY 10017  
 ABA# 021 000 021  
 Credit Account: Blackstone Advisory Services L.P.  
 Account Receivable Dept. 14th Floor  
 Account # 066-287472

Invoice Number: 14535

<sup>1</sup> Expenses incurred, but not yet processed due to timing differences will be billed at a later date.

**Blackstone Advisory Services L.P.**  
 345 Park Avenue  
 New York, NY 10154  
 212 583-5000

**W.R. Grace & Co.**  
**Summary of Expenses**  
**Invoice No. 14535**

	<b>GL Detail Feb-07</b>	<b>Total Expenses</b>
Ground Transportation - Car Service - Elite	\$ 232.96	\$ 232.96
Ground Transportation - Out of Town Travel	318.68	318.68
Communications - Teleconferencing	194.00	194.00
Employee Meals	61.48	61.48
Lodging	213.70	213.70
Internal Research	240.00	240.00
<b>Total Expenses</b>	<b>\$ 1,260.82</b>	<b>\$ 1,260.82</b>
<b>Ground Transportation</b>		<b>\$ 551.64</b>
<b>Communications</b>		<b>194.00</b>
<b>Meals</b>		<b>61.48</b>
<b>Lodging</b>		<b>213.70</b>
<b>Research</b>		<b>240.00</b>
<b>Total Expenses</b>		<b>\$ 1,260.82</b>

W.R. Grace & Co.  
 Detail of Expenses Processed  
 Through February 28, 2007  
 Invoice No. 14535

**Ground Transportation - Car Service - Elite**

O'Connell (car to Newark Airport in Newark, NJ from home)	01/08/07	118.01	
O'Connell (car home from Newark Airport in Newark, NJ)	01/09/07	114.95	
<b>Subtotal - Ground Transportation - Car Service - Elite</b>			<b>\$ 232.96</b>

**Ground Transportation - Out of Town Travel**

O'Connell (taxi to hotel from airport in Boston, MA)	12/12/06	30.00	
O'Connell (taxi to client meeting in Cambridge, MA from hotel)	12/13/06	26.00	
O'Connell (taxi from hotel to BWI station in Baltimore, MD)	12/14/06	50.00	
O'Connell (Hertz car rental during stay in West Chester, OH)	01/08/07 - 01/09/07	212.68	
<b>Subtotal - Ground Transportation - Out of Town Travel</b>			<b>318.68</b>

**Communications - Teleconferencing**

O'Connell (fee for attending Court hearing telephonically)	01/23/07	194.00	
<b>Subtotal - Communications - Teleconferencing</b>			<b>194.00</b>

**Employee Meals**

Istvan (weekend working meal @ Blackstone)	12/17/06	12.51	
O'Connell (meal @ airport in Newark, NJ)	01/09/07	8.85	
O'Connell (in-room meal @ hotel during stay in West Chester, OH)	01/10/07	15.12	
O'Connell (weeknight working dinner meal @ Blackstone while working late)	01/12/07	25.00	
<b>Subtotal - Employee Meals</b>			<b>61.48</b>

**Lodging**

O'Connell (1 day hotel stay in West Chester, OH)	01/08/07 - 01/09/07	213.70	
<b>Subtotal - Lodging</b>			<b>213.70</b>

**Internal Research**

Istvan (online data research)	01/21/07 - 01/27/07	240.00	
<b>Subtotal - Internal Research</b>			<b>240.00</b>

<b>Total Expenses</b>		<b>\$ 1,260.82</b>
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**BLACKSTONE ADVISORY SERVICES L.P.  
SUMMARY OF HOURS FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

<b>Professional</b>	<b>Title</b>	<b>Hours</b>
Pamela Zilly	Senior Managing Director	62.6
Jamie O'Connell	Vice President	36.8
Benjamin Istvan	Analyst	16.2
	<b>Total</b>	<u><u>115.6</u></u>

**BLACKSTONE ADVISORY SERVICES L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

Professional	Date	Hours	Category	Explanation
Pamela Zilly	02/01/07	0.5	Business Analysis	Discussions with Tarola, correspondence with third party re: investor call
Pamela Zilly	02/02/07	1.0	Business Analysis	Read monthly operating reports
Benjamin Istvan	02/06/07	0.5	Business Analysis	Analysis of unsecured recoveries in Delphi case in connection with Grace claim
Jamie O'Connell	02/07/07	0.3	Business Analysis	Analysis of unsecured recoveries in Delphi case in connection with Grace claim
Jamie O'Connell	02/09/07	0.3	Business Analysis	Call with claims trader regarding Delphi unsecured claims pricing
Jamie O'Connell	02/09/07	0.5	Business Analysis	Correspondence to J. McFarland regarding Delphi unsecured claims pricing
Jamie O'Connell	02/12/07	0.5	Business Analysis	Review documents posted to Project Gemini data room
Pamela Zilly	02/13/07	0.3	Business Analysis	Review materials re: Delphi claim
Pamela Zilly	02/13/07	0.5	Business Analysis	Review materials re: Project McClaren
Jamie O'Connell	02/14/07	0.5	Business Analysis	Review Project McClaren materials
Jamie O'Connell	02/14/07	0.3	Business Analysis	Coordinate Project Spaghetti conference call
Jamie O'Connell	02/14/07	0.5	Business Analysis	Call with K&E and Grace management regarding Project Spaghetti
Jamie O'Connell	02/14/07	0.3	Business Analysis	Follow-up call with P. Zilly and M. Shelnitz regarding Project Spaghetti
Pamela Zilly	02/14/07	1.3	Business Analysis	Review Project Spaghetti materials
Pamela Zilly	02/14/07	0.4	Business Analysis	Call with G. Poling
Pamela Zilly	02/14/07	0.5	Business Analysis	Call with G. Poling, G. Young, J. Baer re: Project Spaghetti
Pamela Zilly	02/14/07	0.3	Business Analysis	Follow-up call with M. Shelnitz
Pamela Zilly	02/14/07	0.8	Business Analysis	Analysis re: prior pension funding
Pamela Zilly	02/14/07	0.5	Business Analysis	Call with R. Tarola
Pamela Zilly	02/14/07	0.3	Business Analysis	Correspondence with J. Baer, R. McGowan re: pension funding order
Pamela Zilly	02/16/07	0.8	Business Analysis	Review insurance analysis
Pamela Zilly	02/16/07	0.8	Business Analysis	Call with R. Tarola re: insurance
Pamela Zilly	02/16/07	1.2	Business Analysis	Review insurance charts
Pamela Zilly	02/17/07	1.5	Business Analysis	Analysis re: insurance issues
Jamie O'Connell	02/18/07	2.0	Business Analysis	Review materials prepared for annual meeting with financial advisors
Jamie O'Connell	02/20/07	0.3	Business Analysis	Review documents posted to Project Gemini data room
Pamela Zilly	02/20/07	1.5	Business Analysis	Review materials for 2/20 meeting
Pamela Zilly	02/20/07	1.0	Business Analysis	Review business unit operating plan
Jamie O'Connell	02/22/07	0.3	Business Analysis	Correspondence to P. Zilly regarding various items
Pamela Zilly	02/22/07	1.0	Business Analysis	Read chemical industry conference materials inc. Festa materials
Jamie O'Connell	02/26/07	0.5	Business Analysis	Read transcript of F. Festa speech from industry conference
Pamela Zilly	02/26/07	2.0	Business Analysis	Analysis of cash flows and projections
Jamie O'Connell	02/27/07	0.5	Business Analysis	Read transcript of F. Festa speech from industry conference
Jamie O'Connell	02/27/07	0.5	Business Analysis	Call with C. Schult regarding Project Gemini
Pamela Zilly	02/28/07	0.5	Business Analysis	Review materials re: subsidiary consolidation
		<b>24.5</b>		



**BLACKSTONE ADVISORY SERVICES L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

Professional	Date	Hours	Category	Explanation
Pamela Zilly	02/21/07	1.0	Case Administration	Read various motions re: pension funding, Estimation Status Report
		<u>1.0</u>		

**BLACKSTONE ADVISORY SERVICES L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	02/01/07	0.3	Committee	Call with B. McGowan and Capstone regarding pension motion
Pamela Zilly	02/01/07	0.4	Committee	Call with Capstone, R. McGowan re: pension analysis
Pamela Zilly	02/01/07	0.5	Committee	Preparation for call with J. Radecki
Pamela Zilly	02/01/07	0.4	Committee	Call with J. Radecki
Benjamin Istvan	02/05/07	0.2	Committee	Correspondence with B. Sarikas and J. O'Connell regarding financial advisor meeting
Jamie O'Connell	02/05/07	0.3	Committee	Call with J. Sinclair regarding pension motion requests
Jamie O'Connell	02/05/07	0.3	Committee	Call with J. Forgach regarding committee request related to pension motion
Jamie O'Connell	02/05/07	0.3	Committee	Call with B. Sarikas regarding financial advisor meeting
Jamie O'Connell	02/05/07	0.5	Committee	Correspondence to financial advisors regarding financial advisor meeting
Jamie O'Connell	02/05/07	0.3	Committee	Follow-up call with J. Forgach regarding committee information request
Jamie O'Connell	02/06/07	0.3	Committee	Call with J. Forgach regarding committee request related to pension motion
Jamie O'Connell	02/06/07	0.3	Committee	Correspondence to B. Sarikas regarding committee information request
Jamie O'Connell	02/06/07	0.3	Committee	Correspondence with J. Sinclair regarding committee information request
Jamie O'Connell	02/07/07	0.3	Committee	Correspondence with J. Sinclair regarding committee information request
Jamie O'Connell	02/08/07	0.3	Committee	Correspondence with B. Sarikas regarding financial advisor meeting
Jamie O'Connell	02/12/07	0.3	Committee	Call with B. Frezza regarding claims
Jamie O'Connell	02/13/07	0.3	Committee	Correspondence to J. Dolan of Capstone regarding committee request
Jamie O'Connell	02/15/07	0.3	Committee	Correspondence to B. Sarikas regarding financial advisor meeting
Jamie O'Connell	02/15/07	0.3	Committee	Correspondence to financial advisors regarding operating plan review
Jamie O'Connell	02/19/07	0.3	Committee	Correspondence to B. Sarikas regarding financial advisor meeting
Benjamin Istvan	02/20/07	2.5	Committee	Attend annual meeting for financial advisors
Jamie O'Connell	02/20/07	1.0	Committee	Coordinate annual meeting for financial advisors
Jamie O'Connell	02/20/07	4.0	Committee	Attend annual meeting for financial advisors
Pamela Zilly	02/20/07	4.0	Committee	Operating plan review with management, and committees' financial advisors
Jamie O'Connell	02/21/07	0.3	Committee	Correspondence to J. Sinclair regarding pension information request
Jamie O'Connell	02/22/07	0.3	Committee	Call with J. Forgach regarding committee request related to pension motion
Jamie O'Connell	02/22/07	0.3	Committee	Review Capstone diligence list relating to annual meeting materials
Jamie O'Connell	02/22/07	0.3	Committee	Call with J. Forgach and J. Sinclair regarding committee information requests
Jamie O'Connell	02/23/07	0.3	Committee	Correspondence with B. Sarikas regarding Capstone information request
Jamie O'Connell	02/26/07	0.3	Committee	Call with J. Dolan of Capstone regarding committee information request
Jamie O'Connell	02/26/07	0.3	Committee	Correspondence to E. Filon regarding Capstone diligence request
Jamie O'Connell	02/26/07	0.3	Committee	Call with B. Sarikas regarding Capstone information request
Jamie O'Connell	02/26/07	0.3	Committee	Manage committee information request
Jamie O'Connell	02/27/07	0.3	Committee	Call with J. Dolan regarding information requests
Jamie O'Connell	02/27/07	0.3	Committee	Correspondence to J. Dolan regarding committee request
Jamie O'Connell	02/27/07	0.3	Committee	Manage committee information request
Jamie O'Connell	02/28/07	0.3	Committee	Correspondence to various committee professionals
		<u>21.9</u>		

**BLACKSTONE ADVISORY SERVICES L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

Professional	Date	Hours	Category	Explanation
Pamela Zilly	02/12/07	1.2	Employee Benefits/Pension	Review retirement plan data and computations
Pamela Zilly	02/27/07	1.6	Employee Benefits/Pension	Research re: management incentive plans
Pamela Zilly	02/27/07	0.5	Employee Benefits/Pension	Call with P. Norris
		<u>3.3</u>		

**BLACKSTONE ADVISORY SERVICES L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

<b>Professional</b>	<b>Date</b>	<b>Hours</b>	<b>Category</b>	<b>Explanation</b>
Jamie O'Connell	02/26/07	2.0 <u>2.0</u>	Hearings	Participate telephonically in the February 26, 2007 court hearing

**BLACKSTONE ADVISORY SERVICES L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

Professional	Date	Hours	Category	Explanation
Jamie O'Connell	02/01/07	0.5	Plan and Disclosure Statement	Call with P. Zilly and Grace management regarding case status
Pamela Zilly	02/01/07	0.4	Plan and Disclosure Statement	Preparation for call with management
Pamela Zilly	02/01/07	0.5	Plan and Disclosure Statement	Call with F. Festa, R. Tarola, M. Shelnitz
Pamela Zilly	02/02/07	0.6	Plan and Disclosure Statement	Review rights offerings precedents
Pamela Zilly	02/02/07	0.9	Plan and Disclosure Statement	Review historical claim accruals
Benjamin Istvan	02/06/07	0.8	Plan and Disclosure Statement	Call with management, counsel re: POR and motions pending
Benjamin Istvan	02/06/07	1.0	Plan and Disclosure Statement	Claims and pro-forma balance sheet analysis
Jamie O'Connell	02/06/07	0.5	Plan and Disclosure Statement	Call with management, counsel re: POR and motions pending
Benjamin Istvan	02/07/07	0.8	Plan and Disclosure Statement	Claims and pro-forma balance sheet analysis
Benjamin Istvan	02/12/07	0.5	Plan and Disclosure Statement	Review 12/31/06 claims and pro forma balance sheet with J. O'Connell
Benjamin Istvan	02/12/07	0.5	Plan and Disclosure Statement	Claims and pro-forma balance sheet analysis
Jamie O'Connell	02/12/07	0.5	Plan and Disclosure Statement	Review 12/31/06 claims and pro forma balance sheet with B. Istvan
Pamela Zilly	02/12/07	0.8	Plan and Disclosure Statement	Review interest accrual calculations
Pamela Zilly	02/12/07	1.5	Plan and Disclosure Statement	Read Dow Corning materials re: default interest rulings
Benjamin Istvan	02/13/07	0.5	Plan and Disclosure Statement	Call with L. Heaps, A. Clark and J. O'Connell regarding taxes and claims
Benjamin Istvan	02/13/07	0.5	Plan and Disclosure Statement	Claims and pro-forma balance sheet analysis
Jamie O'Connell	02/13/07	0.5	Plan and Disclosure Statement	Call with management, counsel re: POR and motions pending
Jamie O'Connell	02/13/07	0.3	Plan and Disclosure Statement	Correspondence to P. Zilly regarding weekly update call
Jamie O'Connell	02/13/07	0.5	Plan and Disclosure Statement	Call with L. Heaps, A. Clark and B. Istvan regarding taxes and claims
Pamela Zilly	02/14/07	1.0	Plan and Disclosure Statement	Prepare outline of financial analysis presentation
Pamela Zilly	02/14/07	0.7	Plan and Disclosure Statement	Read Congoleum materials re: court findings
Benjamin Istvan	02/15/07	0.5	Plan and Disclosure Statement	Claims and pro-forma balance sheet analysis
Jamie O'Connell	02/15/07	0.3	Plan and Disclosure Statement	Review 12/31/06 claims and pro forma balance sheet with B. Istvan
Jamie O'Connell	02/15/07	0.3	Plan and Disclosure Statement	Review correspondence regarding 12/31/06 claims balances
Pamela Zilly	02/19/07	2.0	Plan and Disclosure Statement	Review, reconcile updated 12/31/06 claims analysis
Pamela Zilly	02/19/07	1.0	Plan and Disclosure Statement	Review various financial analysis
Benjamin Istvan	02/20/07	0.5	Plan and Disclosure Statement	Analysis of pre-petition bank debt
Benjamin Istvan	02/20/07	0.5	Plan and Disclosure Statement	Meeting with J. O'Connell to discuss pre-petition bank debt analysis
Benjamin Istvan	02/20/07	0.8	Plan and Disclosure Statement	Claims and pro-forma balance sheet analysis
Jamie O'Connell	02/20/07	2.0	Plan and Disclosure Statement	Follow-up meetings after annual meeting for financial advisors
Jamie O'Connell	02/20/07	0.5	Plan and Disclosure Statement	Meeting with B. Istvan to discuss pre-petition bank debt analysis
Jamie O'Connell	02/20/07	0.3	Plan and Disclosure Statement	Correspondence to R. Lapidaro regarding pre-petition bank debt interest
Pamela Zilly	02/20/07	2.0	Plan and Disclosure Statement	Follow-up meetings with R. Tarola, M. Shelnitz
Pamela Zilly	02/20/07	1.0	Plan and Disclosure Statement	Analysis of funding mechanisms
Benjamin Istvan	02/21/07	0.3	Plan and Disclosure Statement	Call with R. Lapidaro and J. O'Connell regarding pre-petition bank debt
Benjamin Istvan	02/21/07	1.3	Plan and Disclosure Statement	Analysis of pre-petition bank debt
Benjamin Istvan	02/21/07	2.5	Plan and Disclosure Statement	Prepare analysis of sources and uses and update financial model
Jamie O'Connell	02/21/07	0.3	Plan and Disclosure Statement	Call with R. Lapidaro and B. Istvan regarding pre-petition bank debt
Jamie O'Connell	02/21/07	1.3	Plan and Disclosure Statement	Analysis of pre-petition bank debt
Pamela Zilly	02/21/07	1.0	Plan and Disclosure Statement	Review financial model re: various scenarios
Benjamin Istvan	02/22/07	0.5	Plan and Disclosure Statement	Review financial model with J. O'Connell
Jamie O'Connell	02/22/07	0.5	Plan and Disclosure Statement	Review updated financial model
Jamie O'Connell	02/22/07	0.5	Plan and Disclosure Statement	Review financial model with B. Istvan
Jamie O'Connell	02/22/07	0.3	Plan and Disclosure Statement	Status meeting with P. Zilly
Jamie O'Connell	02/22/07	0.3	Plan and Disclosure Statement	Correspondence to B. Tarola regarding pre-petition bank debt
Pamela Zilly	02/22/07	0.4	Plan and Disclosure Statement	Review interest analysis

**BLACKSTONE ADVISORY SERVICES L.P.  
HOURLY DETAIL FOR THE PERIOD OF  
FEBRUARY 1, 2007 THROUGH FEBRUARY 28, 2007**

Professional	Date	Hours	Category	Explanation
Pamela Zilly	02/22/07	0.3	Plan and Disclosure Statement	Status meeting with J. O'Connell
Jamie O'Connell	02/23/07	2.3	Plan and Disclosure Statement	Prepare analysis of sources and uses and update financial model
Pamela Zilly	02/23/07	1.3	Plan and Disclosure Statement	Analysis re: funding scenarios
Pamela Zilly	02/23/07	1.0	Plan and Disclosure Statement	Analysis re: debt markets
Pamela Zilly	02/23/07	1.0	Plan and Disclosure Statement	Analysis of funding mechanisms
Pamela Zilly	02/25/07	0.9	Plan and Disclosure Statement	Review tax calculations
Benjamin Isivan	02/26/07	1.5	Plan and Disclosure Statement	Prepare analysis of sources and uses and update financial model
Jamie O'Connell	02/26/07	0.3	Plan and Disclosure Statement	Status meeting with P. Zilly
Pamela Zilly	02/26/07	0.9	Plan and Disclosure Statement	Review revised claims analyses
Pamela Zilly	02/26/07	2.5	Plan and Disclosure Statement	Research re: comparable bankruptcy insurance treatment
Pamela Zilly	02/26/07	2.0	Plan and Disclosure Statement	Review updated model, analysis re: capital structure, tax issues
Pamela Zilly	02/26/07	0.3	Plan and Disclosure Statement	Status meeting with J. O'Connell
Jamie O'Connell	02/27/07	0.8	Plan and Disclosure Statement	Call with management, counsel re: POR and motions pending
Pamela Zilly	02/27/07	0.5	Plan and Disclosure Statement	Call with management, counsel re: pending motions and Court hearings
Pamela Zilly	02/27/07	1.2	Plan and Disclosure Statement	Review domestic and foreign balance sheets
Pamela Zilly	02/27/07	0.8	Plan and Disclosure Statement	Review revised claims analyses
Pamela Zilly	02/27/07	1.8	Plan and Disclosure Statement	Review updated model, analysis re: capital structure, tax issues
Pamela Zilly	02/27/07	0.8	Plan and Disclosure Statement	Analysis of liabilities subject to compromise
Jamie O'Connell	02/28/07	0.5	Plan and Disclosure Statement	Review claims and pro forma balance sheet analysis
Pamela Zilly	02/28/07	1.0	Plan and Disclosure Statement	Review revised claims analyses
		<b>56.4</b>		

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Professional	Date	Hours	Category	Explanation
Jamie O'Connell	02/28/07	0.3 <u>0.3</u>	Tax Issues	Correspondence to E. Filon regarding tax and treasury issues

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<b>Professional</b>	<b>Date</b>	<b>Hours</b>	<b>Category</b>	<b>Explanation</b>
Pamela Zilly	02/01/07	1.5	Valuation	Review valuation analysis
Pamela Zilly	02/02/07	1.0	Valuation	Review valuation analyses, comparable companies
Pamela Zilly	02/12/07	0.4	Valuation	Call with S. Cunningham re: valuation
Pamela Zilly	02/12/07	1.3	Valuation	Review valuation analysis
Pamela Zilly	02/21/07	2.0	Valuation	Read comparable company materials
		<u><b>6.2</b></u>		